

# CARMEL REDEVELOPMENT COMMISSION

## CITY COUNCIL OCTOBER, 2014 REPORT

### Carmel Redevelopment Commission

#### STRATEGIC HIGHLIGHTS

- The CRC adopted a Fiscal Policy Resolution at its last meeting, a copy is attached.
- The final phase of City Center is underway. A Reallocation request of the Carmel Downtown Economic Development Area is before you. This is the first approval request to get construction of the public parking garage and final buildings underway in City Center.
- At a Special Meeting on 10/1, the CRC accepted an offer to sell the Shapiro's Building for a value of \$2.1 million. \$1M will be received in cash within two weeks, at closing. \$1.1M will go towards eliminating (1) Secondary Installment Contract held by Village Financial and paying towards the second Secondary Installment Contract held by Village Financial. This deal structure meets 2014 budget expectations and eliminates debt at the same time.
- Also at the Special Meeting on 10/1, the CRC accepted a settlement agreement from the structural engineer associated with the Palladium dome construction.
- Keystone Group has requested TIF Funds for the Olivia on Main project. Keystone Group has committed to perform all CRC obligations from the 2011 Project Agreement. Further negotiations are underway. The request is before the Council Finance Committee.

#### FINANCIAL HIGHLIGHTS

<b>August Beginning Balance</b>	\$ 887,523
<b>August Revenues</b>	\$ 289,246
<b>August Expenditures</b>	\$ 629,923
<b>August Ending Balance</b>	\$ 546,845

#### FUNCTIONAL HIGHLIGHTS

- CRC staff, the CRC Treasurer, and Clerk Treasurer (CT) staff are meeting bi-weekly to coordinate administration of CRC funds. Attendees at the last meeting were Corrie Meyer, Mike Lee, Diana Cordray, and Mike Shaver.
- Original records transferred to and/or documents shared with CT office for record-keeping:

DATE	DOCUMENT	METHOD
9/25/2014	Energy Center Contracts	Email
9/26/2014	Original Midwest Constructors Contract (Mezz)	Hand-Delivered
9/26/2014	Original Midwest Constructors Contract (Nash)	Hand-Delivered
9/26/2014	Original Midwest Constructors Change Order 1 (Mezz)	Hand-Delivered
9/29/2014	Original Consent to Encroach (Mezz transformer)	Hand-Delivered
9/29/2014	Original First Amendment to Access and Use Declaration (Tarkington Garage egress easement)	Hand-Delivered

# CARMEL REDEVELOPMENT COMMISSION

9/29/2014	Original Amended and Restated Declaration of Covenants and Easements (Parcels 5 and 10)	Hand-Delivered
9/29/2014	Original Fourth Amendment to Easement Agreement Use of Phase 1 Contaminated Site (Parcel 10)	Hand-Delivered
9/29/2014	Original Fourth Amendment to Easement Agreement Use of Phase II Contaminated Site (Parcel 10)	Hand-Delivered

## LOOKING AHEAD

- Planning for the 2015 Budget cycle will begin this month. CRC staff anticipates having a 2015 budget before the Council in November for review.

*Respectfully submitted,*

Corrie Meyer, AICP, RLA, LEED AP

Director

Carmel Redevelopment Commission/Department

October 2, 2014

*Prepared for David Bowers and Brad Meyer*

# FINANCIAL STATEMENT

## Financial Statement

### AUGUST MONTH-END FINANCIAL BALANCE

<b>Ending Balance without Restricted Funds</b>	\$ 546,845
<b>Ending Balance with Restricted Funds</b>	\$ 2,434,689

### SUMMARY OF CASH

For the Month Ending August 31, 2014

DESCRIPTION	ACTUAL	BUDGET	VARIANCE
<b>Cash Balance 8/1/14</b>			
1101 Cash	\$ 482,942.63	\$ 482,942.63	\$ -
1110 TIF	404,580.03	404,580.03	-
<b>Total Cash</b>	\$ 887,522.66	\$ 887,522.66	\$ -
<b>Receipts</b>			
1101 Cash	\$ 289,245.69	\$ 289,186.59	\$ 59.10
1110 TIF	-	-	-
Developer Payments	-	-	-
<b>Total Receipts</b>	\$ 289,245.69	\$ 289,186.59	\$ 59.10
<b>Disbursements</b>			
1101 Cash	\$ 225,342.93	\$ 226,734.47	\$ 1,391.54
1110 TIF	404,580.03	404,580.03	-
<b>Total Disbursements</b>	\$ 629,922.96	\$ 631,314.50	\$ 1,391.54
1101 Cash	\$ 546,845.39	\$ 545,394.75	\$ 1,450.64
1110 TIF	0.00	0.00	\$ -
<b>Cash Balance 8/31/14</b>	\$ 546,845.39	\$ 545,394.75	\$ 1,450.64
<b>Total Usable Funds</b>	\$546,845.39	\$545,394.75	\$1,450.64

# FINANCIAL STATEMENT

## FUND BALANCES AND OUTSTANDING RECEIVABLES

As of August 31, 2014

### Restricted Funds

Energy Center Reserve	\$ 501,642
Civic Rent Reserve	801,680
Supplemental Reserve Fund	584,522
<b>Sub-total:</b>	<b>1,887,844</b>

### Cash (as seen in Summary of Cash table)

TIF	0
Non-TIF	546,845
<b>Sub-total:</b>	<b>546,845</b>

<b>Total Funds</b>	<b>\$2,434,689</b>
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### Outstanding Receivables

Energy Consumption Payments (1)	10,462
<b>Total Outstanding Receivables</b>	<b>\$10,462</b>

(1) Amounts due reflects September 2014 for Office Building One and September 2014 for the Tarkington. REI Real Estate Services, LLC acts as property manager on behalf of the CRC and collects the Energy Consumption Payments to be forwarded.

## STATEMENT OF CHANGES IN EQUITY

MONTH END: AUGUST 2014

DESCRIPTION	REVENUE	EXPENSES
<b>Total Receipts (TIF)</b>	0	
<b>Total Receipts (Non-TIF):</b>	\$ 289,246	
<b>Expenditures (TIF)</b>		\$ 404,580
<b>Expenditures (Non-TIF)</b>		225,343

# FINANCIAL UPDATE

## Financial Update

### TIF REVENUE AND DEBT

As of the approved June budget, projected TIF Revenue was estimated at \$17,532,007.

Bond debt payments were made in June and July. Another payment will be made in December of 2014. Below are the anticipated payments based on the June approved CRC budget;

MONTH	TOTAL
June 2014	\$ 484,228
July 2014	\$ 8,276,336
December 2014	\$ 8,774,841

### GOING CONCERN

The CRC is managing expenditures to maintain a balanced budget in anticipation of lower TIF Revenue. With construction projects underway or getting started, we will be coordinating closely with contractors to minimize unknown change orders.

### TAKEAWAYS

- Month-end balance is positive.
- Transferred excess TIF funds to Supplemental Reserve Fund, as outlined in the Revenue Deposit Agreement.
- CRC passed Fiscal Policy Resolution 2014-16



# PROJECT UPDATES

- **Nash Building/ Parcel 73**

1) Project Status – under construction

- a) The Nash underground parking garage is 95% complete and currently on budget. The Nash Building, first floor retail has passed rough-in inspection with insulation and drywall to commence. Storefront/glass installation continues. Second and third floor apartments are receiving primer, paint, cabinetry, trim, tile & other finish work. Granite measurements have been taken. Balcony, masonry, & EFIS work continues on the exterior. The project is on budget and remains on schedule, with an anticipated completion date of fall 2014. Approximately half of the 9,000 sf of the retail space has been leased with strong prospects for the remaining commercial space.



Provided by Pedcor City Center Dev. Co. 1

2) Council and/or CRC Action Items

ACTION ITEM	CITY COUNCIL	CRC
None		

3) CRC Commitments

*Provide streetscape along Rangeline Road.*

a) Budget

	Budget
Design/ Engineering	\$5,000 (majority of contract pd. in 2013) per June '14 Budget
Construction	\$100,000 per June '14 Budget
Available funds for construction project due to increased revenue	\$ 242,179

b) Design Consultant: American Structurepoint

c) CRC Commitment Schedule

Design % Complete	100%
Construction Start Date	October 2014
Anticipated Project Completion	November 2014

# PROJECT UPDATES

- **Phase 2**

- 1) Project Status – designs are schematic and construction has not started.
  - a) In addition to the Reallocation request, we are anticipating a request to issue TIF Bonds to fund public improvements on the Phase 2 site before year's end. With timely successful approvals, construction will begin in 2015 on the seven (7) buildings noted below.

- 2) Proposed Construction/Use Sequence

PROJECT	USE	PROJECT START DATE	DESIGN RENDERINGS, PROVIDED BY PEDCOR
<b>Garage Park East</b>	A three to four story parking structure with approximately 470 to 625 parking spaces, which will include up to approximately 28,000 square feet of luxury apartments and commercial retail/office space.	Fall 2014 (garage only)	
<b>Baldwin/ Chambers</b>	A four story building, of approximately 64,000 square feet, which will include luxury apartments and commercial retail/office space. Pedcor is currently working with four commercial businesses who will occupy approximately 14,000 sf of the commercial space.	Spring 2015	
<b>Holland</b>	A five story building, of approximately 63,000 square feet, which will include luxury apartments and commercial retail/office space.	Fall 2015	
<b>Playfair</b>	A five story building, of approximately 63,000 square feet, which will include luxury apartments and commercial retail/office space.	Fall 2015	
<b>Garage Retail</b>	See Garage East note above.	Fall 2015	
<b>Pedcor Office 5</b>	A two story building, of approximately 20,000 square feet, which will include office space.	Fall 2015	

# PROJECT UPDATES

<b>Kent</b>	A three story building, of approximately 111,000 square feet of luxury apartments.	Fall 2015	
<b>Wren</b>	A seven story building, of approximately 88,000 square feet, which will include luxury apartments and commercial office/retail space.	Fall 2016	
<b>Windsor</b>	A four story building, of approximately 64,000 square feet, which will include luxury apartments and commercial office/retail space.	Fall 2017	
<b>Eastern Motor Court Site</b>	A building, of approximately 76,000 to 91,000 square feet, which will include luxury apartments and commercial office/retail space designed so that in the future it could be in whole, or in part, converted to hotel rooms and/or hotel amenities.	Fall 2017	
<b>Hotel</b>	A four story hotel, of approximately 44,000 square feet, which will include parking.	TBD	

## 3) Council and/or CRC Action Items

ACTION ITEM	CITY COUNCIL	CRC
<b>Reallocation of Carmel Downtown Economic Development Area</b>	On-docket, 10/6/14 Resolutions 2014-14 and 2014-15	Introduced in September. Public Hearing proposed in October.
<b>TIF Bond request</b>	November	Introduce in October

## 4) CRC Commitments

*No commitments have been formalized. Initial discussions have begun. Proposed commitments will be introduced with the TIF Bond request.*

# PROJECT UPDATES

## THE MEZZ/ MONON LOFTS

- Developer Partner: Anderson Birkla
- Allocation Area: City Center
- Project Summary:
  - Use: Primary Residential. 42 residential units with 12,000 square feet of office.
  - Total project budget: \$7.7mm
  - Secured Tenants: Fat Atom, Vocare, Anderson Birkla



Figure 2 Image provided by Anderson Birkla

- Anticipated Project Schedule

Office Move In	November, 2014
Residential Move In	November, 2014
Project complete	December, 2014

# PROJECT UPDATES

- **Mezz Building (3<sup>rd</sup> Avenue)**

- 1) Project Status – under construction
  - a) Building 1 Framing is 99% complete. Frame punch is 98% completed.
  - b) First floor steel framing is 70% complete.
  - c) Building 1 MEP'S - Plumbing Unit Rough is 85% completed. Electrical Rough is 90% complete. Fire Suppression rough is 100% completed, HVAC Rough is 95% completed.
  - d) Building 1 - Roof install is 90% completed.
  - e) Building 1 – Tyvek, Windows, & doors are 100% completed.



- **Monon Lofts Building (Monon side)**

- 1) Project Status – under construction
  - a) Building 2 - Framing is 100% complete. Frame punch is 98% completed.
  - b) Building 2 – Tyvek, Windows, Doors are 100% installed.
  - c) First floor steel framing is 70% complete.
  - d) Building 2 MEP'S - Plumbing 2nd is 90% complete. Electrical rough is 90% complete, Fire Suppression rough is 100% complete. HVAC rough is 95% complete.
  - e) Building 2 roof is 90% completed
  - f) Material received in the warehouse are: Plumbing, lighting fixtures, tubs, marble vanity sinks, mirrors, windows and screens and wood for the spiral stairs.



- 2) Council and/or CRC Action Items

**ACTION ITEM**

**CITY COUNCIL    CRC**

**None**

# PROJECT UPDATES

## 3) CRC Commitments

*Provide parking spaces on 3<sup>rd</sup> Ave and streetscape on the west and south side of the building and relocate street utilities. Site Improvements, Monon Connection path, Small pocket park (by developer)*

### a) Budget

Design/ Engineering	\$8,900 for Utility Relocation	Per approved June '14 CRC budget
Design/ Engineering	Not to exceed \$75,000 for site design;/ engineering	Per approved June '14 CRC budget
Site Construction	\$67,021 (3 <sup>rd</sup> Ave)	Invoices are expected to be paid November. Calumet Civil Contractors.
Utility Relocation	\$250,000	Invoices are expected to be paid in December.
Site Construction	\$ 242,979 (site work)	Invoices are expected to be paid November/December. Midwest Constructors.

### b) Design Consultant: American Structurepoint

### c) Construction Contractor: Calumet Civil Contractors/ Duke Energy/ Midwest Constructors

### d) CRC Commitment Schedule

Design % Complete	100%
Proposed Construction Start Date	September 2014
Anticipated Project Completion	November for site work

-One Enclosure-